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**LOUISIANA EXAMINERS OF NURSING FACILITY ADMINISTRATORS**

**DEPARTMENT OF HEALTH AND HOSPITALS  
STATE OF LOUISIANA**

**FINANCIAL REPORT**

**As of and for the two years ended  
June 30, 2005**

**(With Accountant's Report Thereon)**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 9/28/05

**LOUISIANA BOARD OF EXAMINERS OF NURSING FACILITY ADMINISTRATORS  
DEPARTMENT OF HEALTH AND HOSPITALS  
STATE OF LOUISIANA**

**For the two years ended June 30, 2005**

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# MICHAEL K. GLOVER

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## INDEPENDENT AUDITOR'S REPORT

Louisiana Board of Examiners of Nursing Facility Administrators  
Department of Health and Hospitals  
State of Louisiana  
Baton Rouge, Louisiana

I have audited the accompanying financial statements of the Louisiana Board of Examiners of Nursing Facility Administrators, a component unit of the State of Louisiana, as of June 30, 2005, and for the two years ended June 30, 2005, as listed in the table of contents. These financial statements are the responsibility of the Louisiana Board of Examiners of Nursing Facility Administrators management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Audit Standards*, issued by the Controller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

As discussed in Note A, the financial statements present only the Louisiana Board of Examiners of Nursing Facility Administrators, a component unit of the State of Louisiana and do not purport to, and do not, present fairly the financial position of the State of Louisiana or the Office of the Governor, as of June 30, 2005 and the changes in financial position and cash flows, for the year ended in conformity with accounting principles generally accepted in the United States of America.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Louisiana Board of Examiners of Nursing Facility Administrators a component unit of the State of Louisiana, as of June 30, 2005, and the changes in financial position and cash flows for the years ended June 30, 2005 and June 30, 2004, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Audit Standards*, I have also issued my report dated August 24, 2005, on my consideration of Louisiana Board of Examiners of Nursing Facility Administrators internal control over financial reporting and my test of its compliance with certain provision of laws, regulations, and contracts. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of my audit.

The Management's Discussion and Analysis and other required supplementary information on Pages 5-8, respectively, are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, I did not audit the information and express no opinion on it.

My audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements of Louisiana Board of Examiners of Nursing Facility Administrators. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in my opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.



Baton Rouge, LA  
August 24, 2005

**MICHAEL K. GLOVER**

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Report on Compliance and on Internal Control over Financial Reporting Based Upon An Audit of the  
Financial Statements Preformed in Accordance with Government Auditing Standards

Louisiana Board of Examiners of Nursing Facility Administrators  
Department of Health and Hospitals  
State of Louisiana  
Baton Rouge, Louisiana

I have audited the financial statement of the Louisiana Board of Examiners of Nursing Facility Administrators, a component unit of the State of Louisiana, as of June 30, 2005 and for the two years ended June 30, 2005, and have issued my report thereon dated August 24, 2005. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether Louisiana Board of Examiners of Nursing Facility Administrators, a component unit of the Department of Health and Hospitals, State of Louisiana, financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on the compliance with those provisions was not an objective on my audit and, accordingly, I do not express such an opinion. The results of my test disclosed instances of noncompliance that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned cost as item 2005-01. However, I noted certain immaterial instances of noncompliance that I have reported to management of Louisiana Board of Examiners of Nursing Facility Administrators, Inc. in a separate letter dated August 24, 2005.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered Louisiana Board of Examiners of Nursing Facility Administrators internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the basic financial statements and not to provide an opinion on the internal control over financial reporting. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the specific internal control structure elements does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the basic financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over financial reporting and its operation that I considered to be material weaknesses. However, I noted certain immaterial instances of involving the internal control over financial reporting that I have reported to management of Louisiana Board of Examiners of Nursing Facility Administrators, Inc. in a separate letter dated August 24, 2005.

This report is intended solely for the information of management and interested federal and state agencies and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.



Baton Rouge, LA  
August 24, 2005

## LOUISIANA BOARD OF EXAMINERS OF NURSING FACILITY ADMINISTRATORS

The Management's Discussion and Analysis of the **Louisiana Board of Examiners of Nursing Facility Administrators'** financial performance presents a narrative overview and analysis of **Louisiana Board of Examiners of Nursing Facility Administrators'** financial activities for the year ended June 30, 2005. This document focuses on the current year's activities, resulting changes, and currently known facts in comparison with the prior year's information. Please read this document in conjunction with the **Louisiana Board of Examiners of Nursing Facility Administrators'** financial statements.

### FINANCIAL HIGHLIGHTS

- ★ The **Louisiana Board of Examiners of Nursing Facility Administrators'** assets exceeded its liabilities at the close of fiscal year 2005 by **\$56,750** which represents a **13.08%** decrease from last fiscal year.
- ★ The **Louisiana Board of Examiners of Nursing Facility Administrators'** revenue decreased **\$36,853** (or **11%**) and the net results from activities decreased by **\$18,606** (or **186.06%**).

### OVERVIEW OF THE FINANCIAL STATEMENTS

The following graphic illustrates the minimum requirements for Special Purpose Governments Engaged in Business-Type Activities established by Governmental Accounting Standards Board Statement 34, Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments.

Management's Discussion and Analysis



Basic Financial Statements



Required supplementary information  
(other than MD&A)

These financial statements consist of two sections - Management's Discussion and Analysis (this section), and the basic financial statements (including the notes to the financial statements).

### Basic Financial Statements

The basic financial statements present information for the **Louisiana Board of Examiners of Nursing Facility Administrators** as a whole, in a format designed to make the statements easier for the reader to understand. The statements in this section include the Statement of Net Assets; the Statement of Revenues, Expenses, and Changes in Fund Net Assets; and the Statement of Cash Flows.

## LOUISIANA BOARD OF EXAMINERS OF NURSING FACILITY ADMINISTRATORS

The Statement of Net Assets presents the current and long-term portions of assets and liabilities separately. The difference between total assets and total liabilities is net assets and may provide a useful indicator of whether the financial position of the **Louisiana Board of Examiners of Nursing Facility Administrators** is improving or deteriorating.

The Statement of Revenues, Expenses, and Changes in Fund Net Assets presents information showing how **Louisiana Board of Examiners of Nursing Facility Administrators'** assets changed as a result of current year operations. Regardless of when cash is affected, all changes in net assets are reported when the underlying transactions occur. As a result, there are transactions included that will not affect cash until future fiscal periods.

The Cash Flow Statement presents information showing how **Louisiana Board of Examiners of Nursing Facility Administrators'** cash changed as a result of current year operations. The cash flow statement is prepared using the direct method and includes the reconciliation of operating income (loss) to net cash provided (used) by operating activities (indirect method) as required by GASB 34.

### FINANCIAL ANALYSIS OF THE ENTITY

Statement of Net Assets  
as of June 30  
(in thousands)

	Total		
	2005	2004	2003
Current and other assets	\$ 246	211	\$ 221
Capital assets			
Total assets	<u>246</u>	<u>211</u>	<u>221</u>
Other liabilities	97	146	166
Long-term debt outstanding	<u>92</u>	<u>0</u>	<u>0</u>
Total liabilities	<u>189</u>	<u>146</u>	<u>166</u>
Net assets:			
Invested in capital assets, net of debt			
Restricted			
Unrestricted	57	65	55
Total net assets	<u>\$ 57</u>	<u>65</u>	<u>\$ 55</u>

Unrestricted net assets are those that do not have any limitations on what these amounts may be used for.

**LOUISIANA BOARD OF EXAMINERS OF NURSING FACILITY ADMINISTRATORS**  
**Statement of Revenues, Expenses, and Changes in Fund Net Assets**  
for the years ended June 30  
(in thousands)

	TOTAL		
	2005	2004	2003
Operating revenues	\$ 312	\$ 349	\$ 334
Operating expenses	(321)	(340)	330
Operating income(loss)	(9)	9	4
Non-operating revenues(expenses)	1	1	1
Income(loss) before transfers	(8)	10	5
Transfers in			
Transfers out			
Net increase(decrease) in net assets	\$ (8)	\$ 10	\$ 5

The **Louisiana Board of Examiners of Nursing Facility Administrators'** total revenues decreased by **\$36,753** or **(11%)**. The total cost of all programs and services decreased by **\$18,291** or **5%**.

## **CAPITAL ASSET AND DEBT ADMINISTRATION**

### **Capital Assets**

At the end of June 30, 2005, the **Louisiana Board of Examiners of Nursing Facility Administrators** had capital assets of **\$181,997**.

### **Debt**

The **Louisiana Board of Examiners of Nursing Facility Administrators** had no bonds outstanding at year-end but did have a note outstanding in the amount of **\$92,381** for real estate owned.

The **Louisiana Board of Examiners of Nursing Facility Administrators** has no claims and judgments outstanding at year-end.

## **ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

The **Louisiana Board of Examiners of Nursing Facility Administrators** elected and appointed officials considered the following factors and indicators when setting next year's budget, rates, and fees. These factors and indicators include:

- **Operating Revenues** were based upon the number of Administrator licenses issued, and the maintaining of a nurses aid registrar for the Louisiana Department of Hospitals each year with no anticipation in increases.



## **LOUISIANA BOARD OF EXAMINERS OF NURSING FACILITY ADMINISTRATORS**

- **Operating Expenses** were projected based upon the cost of providing these services over the past four years with no anticipation in increases or decreases.

### **CONTACTING THE LOUISIANA BOARD OF EXAMINERS OF NURSING FACILITY ADMINISTRATORS**

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the **Louisiana Board of Examiners of Nursing Facility Administrators'** finances and to show the **Louisiana Board of Examiners of Nursing Facility Administrators'** accountability for the money it receives. If you have questions about this report or need additional financial information, contact **Charlie Kelly, Acting Executive Director** through the Board's office at (225) 295-8571.

LOUISIANA BOARD OF EXAMINERS OF NURSING FACILITY ADMINISTRATORS  
DEPARTMENT OF HEALTH AND HOSPITALS  
STATEMENT OF NET ASSETS  
AS OF JUNE 30, 2005

**ASSETS**

**Current assets:**

Cash	\$ 59,478
Accounts receivables	7,535
Total current assets	<u>67,013</u>

**Noncurrent Assets:**

Capital assets net of accumulated depreciation	<u>179,252</u>
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<b>Total assets</b>	<b>\$ <u>246,265</u></b>
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**LIABILITIES**

**Current liabilities:**

Accounts payable	\$ 3,383
Payroll taxes payable	2,751
Deferred revenue	86,920
Note payable - due within one year	<u>18,580</u>
Total current liabilities	111,634

**Noncurrent liabilities:**

Note payable - due after one year	73,801
Compensated absences	<u>4,080</u>
Total noncurrent liabilities	<u>77,881</u>
<b>Total liabilities</b>	<b><u>189,515</u></b>

**NET ASSETS**

Invested in capital assets, net of related debt	86,870
Unrestricted	<u>(30,120)</u>
<b>Total net assets</b>	<b>\$ <u>56,750</u></b>

The notes are an integral part of this statement.

LOUISIANA BOARD OF EXAMINERS OF NURSING FACILITY ADMINISTRATORS  
DEPARTMENT OF HEALTH AND HOSPITALS  
STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN FUND NET ASSETS  
FOR THE YEARS ENDED JUNE 30, 2005 and 2004

	<u>2005</u>	<u>2004</u>
<b>OPERATING REVENUES</b>		
Licenses and fees.	\$ 195,606	198,370
Nurse aide certification cards	62,934	30,367
Interagency agreement	53,621	95,395
Miscellaneous	<u>24,782</u>	<u>24,782</u>
Total operating revenues	<u>312,161</u>	<u>348,914</u>
<b>OPERATING EXPENSES</b>		
Personnel services and related benefits	206,291	195,947
Operating services	51,080	82,207
Material & supplies	13,655	12,752
Professional fees	35,993	41,987
Travel	6,605	6,653
Depreciation	2,745	
Interest	<u>4,886</u>	<u>4,886</u>
Total operating expenses	<u>321,255</u>	<u>339,546</u>
Operating income (loss)	(9,094)	9,368
<b>NONOPERATING REVENUES</b>		
Investment income	<u>555</u>	<u>699</u>
Income (loss)	<u>(8,539)</u>	<u>10,067</u>
Total net assets-beginning (Note 11)	65,289	55,222
Total net assets-ending	<u>\$ 56,750</u>	<u>65,289</u>

The notes are an integral part of these financial statements.

LOUISIANA BOARD OF EXAMINERS OF NURSING FACILITY ADMINISTRATORS  
DEPARTMENT OF HEALTH AND HOSPITALS

STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2005 and 2004

	2005	2004
Cash Flows from Operating Activities:		
Cash receipts from customers	\$ 276,361	\$ 333,741
Cash payments to other suppliers for goods and services	(105,980)	(141,237)
Cash payments to employees for services	(211,686)	(204,658)
Interest paid	(4,886)	-
Net cash provided (used) by operating activities	(46,191)	(12,154)
Cash Flows From Investing Activities:		
Proceeds from loan for building	106,250	-
Principal payments on loan	(13,869)	-
Purchase of building	(181,997)	-
Interest received	555	699
Net cash provided (used) by investing activities	(89,061)	699
Net (decrease) in cash and cash equivalents	(135,252)	(11,455)
Cash and cash equivalents, beginning of year	194,730	206,185
Cash and cash equivalents, end of year	\$ 59,478	\$ 194,730
RECONCILIATION OF OPERATING INCOME AND NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating income (loss)	\$ (9,094)	\$ 9,368
Adjustments to reconcile operating income to net cash provided (used) by operating activities:		
Deprecation	2,745	
Change in assets and liabilities		
Accounts receivable	9,232	(7,089)
Prepaid expenses		4,885
Accounts payable	1,353	(2,523)
Payroll tax liability	1,854	(4,064)
Compensated absences	(16,481)	2,442
Deferred revenue	(35,800)	(15,173)
Net cash used by operating activities	\$ (46,191)	\$ (12,154)

The notes are an integral part of these financial statements.

LOUISIANA BOARD OF EXAMINERS OF NURSING FACILITY ADMINISTRATORS  
DEPARTMENT OF HEALTH AND HOSPITALS  
STATE OF LOUISIANA

Notes to Financial Statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Introduction

The Louisiana Board of Examiners of Nursing Facility Administrators (the Board) is a component unit of the State of Louisiana Created within the Louisiana Department of Health and Hospitals, as provided by Louisiana Revised Statutes (LSA-R.S) 36:803. The Board is composed of thirteen members, ten are ex-officio members from various health care agencies and three are appointed by the governor. Each board member serves three-year terms. The Board is responsible for developing, imposing, and enforcing standards for nursing facility administrators, issuing licenses, investigating complaints, and developing and maintains a federally mandated Certified Nurse Aide Registry. The board issues Nurse Aide Certification cards biannually for a \$10 fee. Operations of the board are funded with self-generated fees and reimbursements through an interagency agreement with DHH. As of June 30, 2005, there are xxx licensed administrators in the state. The board has five employees

Reporting Entity

Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification) established criteria for determining the governmental reporting entity and component units that should be included in the reporting entity. In conformance with GASB Codification Section 2100, this entity is a component unit of the State of Louisiana because the board is not legally separate and the state holds the board's corporate powers. The accompanying basic financial statements present only the transactions of the Louisiana Board of Examiners of Nursing Facility Administrators, a component unit of the State of Louisiana.

Basis of Presentation

The financial statements of the Board are prepared in accordance with accounting principles generally accepted in the United States of America. The Board's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements and applicable Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, unless they conflict with GASB pronouncements. The Board may also apply all FASB pronouncements or interpretations issued after November 30, 1989, except for those that conflict with or contradict GASB pronouncements.

Basis of Accounting

The accompanying financial statement have been prepared in conformity with general accepted accounting principles (GAAP) generally accepted in the United States of America using the accrual basis of accounting. Revenues are recognized in the accounting period in which they are earned and expenses are recognized in the period incurred.

Use of Estimates

The preparation of financial statements inconformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of asses and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

LOUISIANA BOARD OF EXAMINERS OF NURSING FACILITY ADMINISTRATORS  
DEPARTMENT OF HEALTH AND HOSPITALS  
STATE OF LOUISIANA

Notes to Financial Statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Con't.

Cash and Cash Equivalents

Cash includes amounts in demand deposits, interest bearing demand deposits, and time deposits. Cash equivalents include amounts in time deposits that mature within 90 days after year end and other investments with original maturities of 90 days or less. Under state law, the district may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or under the laws of the United States.

Under state law, the districts may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days. However, if the original maturities are 90 days or less, they are classified as cash equivalents.

Capital Assets

Capital assets purchased in excess of \$5,000 are recorded at historical cost and depreciated over their estimated useful lives(excluding salvage value). Estimated useful live is management's estimate of how long the asset is estimated to meet service demands. Straight line depreciation is used based on the following estimated useful lives:

Furniture	5-7 years
Equipment	5-10 years

Deferred Revenues

Licenses are renewable on July 1 of each year. License renewals that are received before this renewal date are recorded as deferred revenues.

Revenues and Expenses

Revenues and expense are recorded on the accrual basis of accounting. Operating revenues and expenses include income and expenditures related to the continuing operation of the license Board. Principal operating revenues are license renewals. Principal operating expenses are the costs of providing services and include administrative expenses. Other revenues and expenses are classified as non-operating in the financial statements. Licenses are renewed on July 1, of each year. Using the accrual method of accounting, the revenues for licenses are recorded in the Statement of Revenue, Expenses and Changes in Fund Net Assets as earned. Expenses are recorded as they are incurred.

Employee Compensated Absences

Employees earn and accumulate vacation and sick leave at varying rates, depending on their years of service. Each employee may accumulate an unlimited amount of vacation and sick leave. After an employee is terminated they are compensated for up to 300 hours of unused vacation at their current rate of pay. The cost of current leave privileges are recognized as a current-year expense. The cost of leave not requiring current resources is recorded as a long-term obligation.

Encumbrances

Encumbrance accounting is used to record purchase orders as they are incurred to reserve that portion of the application appropriation. This method of accounting is not employed.

Statement of Cash Flows

This statement is prepared using the direct method. For purposes of this statement, this entity considers all highly liquid investments with a maturity of three months or less when purchased as a cash equivalent.

LOUISIANA BOARD OF EXAMINERS OF NURSING FACILITY ADMINISTRATORS  
DEPARTMENT OF HEALTH AND HOSPITALS  
STATE OF LOUISIANA

Notes to Financial Statements

2. ACCOUNTS RECEIVABLE

The Boards receivables are for unpaid amounts due from DHH. No allowance for doubtful accounts has been established.

3. DEPOSITS WITH FINANCIAL INSTITUTIONS

For reporting purposes, deposits with financial institutions include savings, demand deposits, time deposits, and certificates of deposits and are secured by the Federal Deposit Insurance Corporation insurance. Under state law these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must equal or exceed the amount on deposit. At year end, the deposit balance was secured from risk by federal deposit insurance (Category 1):

4. CAPITAL ASSETS

Capital assets consist of a building that is carried at cost. Depreciation is computed using the straight-line method over the estimated live of forty years.

	Building	Accumulated Depreciation	Book Value
Balance at July 1, 2003	\$ -	-	
Additions			
Deletions			
Balance at June 30, 2004	0	0	
Additions	181,997	2,745	179,252
Deletions			
Balance at June 30, 2005	\$ 181,997	2,745	179,252

5. DEFINED BENEFIT PENSION PLAN

The employees of the Board are members of Louisiana State Employees' Retirement System (LASERS), a multiple-employer defined benefit pension plan. LASERS is a component unit of the State of Louisiana included in the State's CAFR as a pension trust fund. LASERS was established and provided for within Title 11 Chapter 401 of the Louisiana Revised Statutes. LASERS is a statewide public retirement system for the benefit of state employees, which is administered by a separate board of trustees. LASERS issues a publicly available financial report that includes financial statements and required supplementary information for the defined benefit pension plan. This report can be obtained by writing to LASERS, 8401 United Plaza Blvd, PO Box 44213, Baton Rouge, LA 70809 or can be obtained from their web site [www.lasers.state.la.us](http://www.lasers.state.la.us).

All state employees except certain classes of employees specifically excluded by Statute become members of LASERS as a condition of employment unless they elect to continue as a contributing member in any other retirement system for which they remain eligible for membership.

LASERS administers retirement, disability, death and survivor benefits to employees and beneficiaries of employees of this state employee retirement system. The age and years of creditable service required in order for a member to retire with full benefits are established by Statute and vary depending on the member's employer and job classification. The substance majority of member may retire with full benefits at ages ranging from any age upon completing thirty years of creditable service, to age sixty upon completing ten years of creditable service. Additionally, members may chose to retire with 20 years of service at any age, with an actuarially reduced benefit.

LOUISIANA BOARD OF EXAMINERS OF NURSING FACILITY ADMINISTRATORS  
DEPARTMENT OF HEALTH AND HOSPITALS  
STATE OF LOUISIANA

Notes to Financial Statements

5. DEFINED BENEFIT PENSION PLAN (Con't)

State law provides for fiscal year 2005, 2004, and 2003 contribute rates of 7.5% by employees and 17.8% 15.8% and 14.1% by employers for 2005, 2004, and 2003 respectively. Contribution requirement to the System are set by Statute and differ from the contribution requirement determined using actuarial methods. The contributions to the system for the years ended June 30, 2005, 2004, and 2003 were \$26,938; \$22,991; and \$19,726, respectively. The contributions equaled the required contributes set by Statute.

6. OPERATING LEASES

Operating leases are for office space and equipment. Total payments for operating leases during the fiscal year ended June 30, 2005 and 2004 were \$14,448 and \$44,630, respectively. There are no future annual operating lease payments as of June 30, 2005.

7. LITIGATIONS

There are not pending litigations or claims against the Board at year end.

8. LONG-TERM OBLIGATIONS

The following is a summary of the long-term obligations for the two years ended June 30:

A note was obtained on September 13, 2004, with an original balance of \$106,250 payable over a period of 5 years from the date thereof bearing interest at a rate of 6.5% for the purchase of a building with monthly payments of \$2,078.

	Note Payable	Compensated Absences	Total	Due Within One Year
Balance at July 1, 2003	\$ -	18,119	18,119 \$	-
Additions		5,488	5,488	
Deletions		3,046	3,046	
Balance at June 30, 2004		20,561	20,561	0
Additions	106,250	4,004	110,254	19,519
Deletions	13,869	20,485	34,354	
Balance at June 30, 2005	\$ 92,381	4,080	96,461 \$	19,519

The five year annual requirements to amortize the above certificates outstanding at year end are as follows:

	Amount	Interest	Principal Payment
2006 \$	24,936	5,222	19,714
2007	24,936	4,110	20,826
2008	24,936	2,715	22,221
2009	24,936	1,227	23,709
2010	5,964	53	5,911
\$	105,708	13,327	92,381



LOUISIANA BOARD OF EXAMINERS OF NURSING FACILITY ADMINISTRATORS  
DEPARTMENT OF HEALTH AND HOSPITALS  
STATE OF LOUISIANA

Notes to Financial Statements

9. INTERAGANCY AGREEMENT

The Board has entered in an agreement with the Department of Health and Hospitals (DHH) to provide reimbursement of cost for maintenance of a Certified Nurse Aide Registry. The Board is reimbursed for cost then reduced by revenues derived from the production of the Nurse Aide Certification Card. The Board's reimbursements from DHH for the years ended June 30, 2005 and 2004, were \$53,621 and \$95,395, respectively. The Board has a receivable due from DHH of \$7,575 and \$16,767 for the years ended June 30, 2005 and 2004, respectively. This agreement expired June 30, 2005, and is presently being negotiated for continuance in future years.

10. BOARD MEMBERS' PER DIEM

The Board members are paid per diem of \$75 per day for each day in actual attendance of board meetings and for attending to official business of the Board.

11. RESTATEMENT OF PRIOR PERIOD FUND NET ASSETS

An adjustment is being made to recognize license renewals received before June 30 in the year when the licenses become effective. Licenses are renewed effective July 1 of each year. License renewals were previously recognized in the year of collection and an account receivable was recorded to estimate revenues collected between July 1 through February of the subsequent year. A deferred revenue is being established to recognize the revenues for license renewals in the fiscal year of their effective renewal date.

Net fund assets June 30, 2003	\$	231,755
Accounts receivable	(	38,640 )
Deferred revenues	(	137,893 )
Net fund assets June 30, 2003, restated	\$	<u>55,222</u>

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## SUPPLEMENTAL INFORMATION

LOUISIANA BOARD OF EXAMINERS OF NURSING FACILITY ADMINISTRATORS  
DEPARTMENT OF HEALTH AND HOSPITALS  
STATE OF LOUISIANA

Schedule of Board Members' Per Diem  
Two Years Ended June 30, 2005 and 2003

	<u>2005</u>	<u>2004</u>
A. A. Kelley, Jr.	\$ 900	1,425
Mark Cartwright	375	375
Robert Rimes	375	225
Harold Gamburg	1,275	750
John Matessino	525	750
Joseph Hamrick	1,575	750
Elizabeth Humphrey	75	225
Ed Smith	675	525
Henry Burch	0	0
Martin Stott	375	375
JC Davis	2,831	5,112
	<u>\$ 8,981</u>	<u>10,512</u>

LOUISIANA BOARD OF EXAMINERS OF NURSING FACILITY ADMINISTRATORS  
DEPARTMENT OF HEALTH AND HOSPITALS  
STATE OF LOUISIANA

Summary of Findings and Questioned Costs  
For the two years ended June 30, 2005

A. SUMMARY OF AUDIT RESULTS

Financial statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

Material weaknesses identified? ☐ Yes ☒ No

Reporting conditions identified that are considered material weaknesses? ☐ Yes ☒ No

Noncompliance material to financial statements? ☒ Yes ☐ No

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

**2005-01 Documents Not Available for Observation**

Criteria: Revised Statute RS 44:36 require the retention of records for a minimum of three years.

Condition: The bank statement for November and December 2004, were not available for review.

Recommendation: A filing system needs to be established and maintained to assure that all records are maintained in accordance with laws and regulations.

LOUISIANA BOARD OF EXAMINERS OF NURSING FACILITY ADMINISTRATORS  
DEPARTMENT OF HEALTH AND HOSPITALS  
STATE OF LOUISIANA

*Summary of Prior year Findings and Questioned Costs*  
For the two years ended June 30, 2003

**Compliance – Payments in Excess of Contract Limit**

Criteria: The Board exceeded the contract limit on a professional services contract and failed to obtain proper approval of a contract amendment.

Recommendation: The board should implement procedures to monitor contract payments and comply with state regulations regarding amendments to professional services contracts.

Current Status: The contracts reviewed did not have any amounts paid that were in excess of the contract limit.

**Internal Control weakness over Nurse Aide Certification Card Fees**

Criteria: Existing procedures are not sufficient to account for the disposition of the pre-numbered Nurse Aide Certification Card's and do not include a way to match card numbers with cardholders' names.

Condition: Failure to perform a full reconciliation of the certification cards could inhibit the timely detection of errors and/or fraud.

Recommendation: Develop procedures to reconcile nurse aide certification card issued to the certification card fees collected, including the ability to link the card number issued to the individual cardholder.

Current Status: A log of certification cards is being maintained daily identifying the first and last card issued during the day and a count of discarded or voided card, which are maintained. The number of card issued in the log as compared to the reported income was observed, the differences for both fiscal years were insignificant. The Board is also able to locate a card number by using a cardholder's name.

**Internal Control Weakness over Annual Registration Fees**

Criteria: Numerous errors were identified in the manual records of registration fees pre-numbered receipts, notebooks, binders and labels.

Recommendation: Computerize the recordkeeping process relating to the annual registration fees.

Current Status: A computerized recording process has not been established to account for the annual registration fees.

**Lack of Controls over Time and Attendance**

Criteria: For the second consecutive audit, the Board did not adhere to the established time and attendance policy or state regulations. Forms requesting leave were not completed by the employee.

Recommendation: Employees requesting leave or returning from unexpected leave should complete a form and have the executive director approve the form.

Current Status: From my observations, the form requesting leave were being prepared and approved by the executive director.

LOUISIANA BOARD OF EXAMINERS OF NURSING FACILITY ADMINISTRATORS  
DEPARTMENT OF HEALTH AND HOSPITALS  
STATE OF LOUISIANA

Summary of Prior year Findings and Questioned Costs  
For the two years ended June 30, 2003

**Errors in Time and Attendance records and Leave Balances**

Criteria: Several errors were found regarding time sheets and leave balances. Time sheets were not approved timely or could not be locate, time sheets were not signed by employees, errors in the posting of sick and annual leave.

Recommendation: To establish procedures to ensure that time and attendance records are approved timely and all leave is accurately posted to the leave records.

Current Status: From observations made, time and attendance records were being signed by the employee and approved by the director and annual leave was being accounted for properly.

BOARD OF EXAMINERS OF NURSING FACILITY ADMINISTRATORS  
STATE OF LOUISIANA  
Annual Financial Statements  
June 30, 2005

C O N T E N T S

TRANSMITTAL LETTER  
AFFIDAVIT

Statements

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**STATE OF LOUISIANA  
BOARD OF EXAMINERS OF NURSING FACILITY ADMINISTRATORS (BTA)  
BALANCE SHEET  
AS OF JUNE 30, 2005**

<b>ASSETS</b>	
<b>CURRENT ASSETS:</b>	
Cash and cash equivalents (Note C1)	\$ 59,438
Investments (Note C2)	
Receivables (net of allowance for doubtful accounts)(Note U)	
Due from other funds (Note Y)	7,535
Due from federal government	
Inventories	
Prepayments	
Notes receivable	
Other current assets	
Total current assets	67,013
<b>NONCURRENT ASSETS:</b>	
Restricted assets (Note F):	
Cash	
Investments	
Receivables	
Notes receivable	
Capital assets (net of depreciation)(Note D)	
Land	27,300
Buildings and improvements	151,952
Machinery and equipment	
Infrastructure	
Construction in progress	
Other noncurrent assets	
Total noncurrent assets	179,252
Total assets	\$ 246,265
<b>LIABILITIES</b>	
<b>CURRENT LIABILITIES:</b>	
Accounts payable and accruals (Note V)	\$ 3,382
Due to other funds (Note Y)	
Due to federal government	
Deferred revenues	86,920
Amounts held in custody for others	
Other current liabilities	2,751
Current portion of long-term liabilities:	
Contracts payable	
Reimbursement contracts payable	
Compensated absences payable (Note K)	
Capital lease obligations - (Note J)	
Notes payable	18,580
Liabilities payable from restricted assets (Note Z)	
Bonds payable	
Other long-term liabilities	
Total current liabilities	111,633
<b>NON-CURRENT LIABILITIES:</b>	
Contracts payable	
Reimbursement contracts payable	
Compensated absences payable (Note K)	
Capital lease obligations (Note J)	
Notes payable	73,802
Liabilities payable from restricted assets (Note Z)	
Bonds payable	
Other long-term liabilities	4,080
Total long-term liabilities	77,882
Total liabilities	189,515
<b>NET ASSETS</b>	
Invested in capital assets, net of related debt	
Restricted for:	
Capital projects	
Debt service	
Unemployment compensation	
Other specific purposes	
Unrestricted	56,750
Total net assets	
Total liabilities and net assets	\$ 246,265

The accompanying notes are an integral part of this financial statement.  
Statement A



**STATE OF LOUISIANA**  
**BOARD OF EXAMINERS OF NURSING FACILITY ADMINISTRATORS (BTA)**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS**  
**FOR THE YEAR ENDED JUNE 30, 2005**

**OPERATING REVENUES**

Sales of commodities and services	\$	
Assessments		
Use of money and property		
Licenses, permits, and fees		195,606
Other		116,555
Total operating revenues		312,161

**OPERATING EXPENSES**

Cost of sales and services		
Administrative		313,624
Depreciation		2,745
Amortization		
Total operating expenses		316,369

Operating income(loss)		(4,208)
------------------------	--	---------

**NON-OPERATING REVENUES(EXPENSES)**

State appropriations		
Intergovernmental revenues (expenses)		
Taxes		
Use of money and property		555
Gain (loss) on disposal of fixed assets		
Federal grants		
Interest expense		(4,886)
Other		
Total non-operating revenues(expenses)		(4,331)

Income(loss) before contributions and transfers		(8,539)
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Capital contributions

Transfers in

Transfers out

Change in net assets		(8,539)
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Total net assets – beginning as restated		65,289
--	--	--------

Total net assets – ending	\$	56,750
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STATE OF LOUISIANA  
BOARD OF EXAMINERS OF NURSING FACILITY ADMINISTRATORS (BTA)  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2005

		Program Revenues		
		Operating	Capital	Net (Expense)
		Grants and	Grants and	Revenue and
		Contributions	Contributions	Changes in
	Expenses	Charges for		Net Assets
		Services		
BTA	\$ 321,255	\$ 312,161	\$	\$ (9,094)
General revenues:				
Taxes				
State appropriations				
Grants and contributions not restricted to specific programs				
Interest				555
Miscellaneous				
Special items				
Transfers				
Total general revenues, special items, and transfers				555
Change in net assets				(8,539)
Net assets - beginning				65,289
Net assets - ending				\$ 56,750

**STATE OF LOUISIANA  
BOARD OF EXAMINERS OF NURSING FACILITY ADMINISTRATORS (BTA)  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2005**

**Cash flows from operating activities**

Cash received from customers	\$	276,361	
Cash payments to suppliers for goods and services		(105,980)	
Cash payments to employees for services		(211,726)	
Payments in lieu of taxes			
Internal activity-payments to other funds			
Claims paid to outsiders			
Other operating revenues(expenses)			
Net cash provided(used) by operating activities	\$		(41,345)

**Cash flows from non-capital financing activities**

State appropriations			
Proceeds from sale of bonds			
Principal paid on bonds			
Interest paid on bond maturities			
Proceeds from issuance of notes payable			
Principal paid on notes payable			
Interest paid on notes payable		(4,886)	
Operating grants received			
Other			
Transfers In			
Transfers Out			
Net cash provided(used) by non-capital financing activities			(4,886)

**Cash flows from capital and related financing activities**

Proceeds from sale of bonds			
Principal paid on bonds			
Interest paid on bond maturities			
Proceeds from issuance of notes payable		106,250	
Principal paid on notes payable		(13,869)	
Interest paid on notes payable			
Acquisition/construction of capital assets		(181,997)	
Proceeds from sale of capital assets			
Capital contributions			
Other			
Net cash provided(used) by capital and related financing activities			(89,616)

**Cash flows from investing activities**

Purchases of investment securities			
Proceeds from sale of investment securities			
Interest and dividends earned on investment securities		555	
Net cash provided(used) by investing activities			555

Net increase(decrease) in cash and cash equivalents (135,292)

Cash and cash equivalents at beginning of year 194,730  
Cash and cash equivalents at end of year \$ 59,438

The accompanying notes are an integral part of this statement.

Statement D

**STATE OF LOUISIANA  
BOARD OF EXAMINERS OF NURSING FACILITY ADMINISTRATORS (BTA)  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2005**

**Reconciliation of operating income(loss) to net cash provided(used) by operating activities:**

Operating income(loss)		\$ <u>(4,208)</u>
Adjustments to reconcile operating income(loss) to net cash		
Depreciation/amortization	<u>2,745</u>	
Provision for uncollectible accounts	<u></u>	
Changes in assets and liabilities:		
(Increase)decrease in accounts receivable, net	<u>9,192</u>	
(Increase)decrease in due from other funds	<u></u>	
(Increase)decrease in prepayments	<u></u>	
(Increase)decrease in inventories	<u></u>	
(Increase)decrease in other assets	<u></u>	
Increase(decrease) in accounts payable and accruals	<u>1,353</u>	
Increase(decrease) in accrued payroll and related benefits	<u></u>	
Increase(decrease) in compensated absences payable	<u>(16,481)</u>	
Increase(decrease) in due to other funds	<u></u>	
Increase(decrease) in deferred revenues	<u>(35,800)</u>	
Increase(decrease) in other liabilities	<u>1,854</u>	
Net cash provided(used) by operating activities		\$ <u><u>(41,345)</u></u>

**Schedule of noncash investing, capital, and financing activities:**

Borrowing under capital lease	\$ <u></u>
Contributions of fixed assets	<u></u>
Purchases of equipment on account	<u></u>
Asset trade-ins	<u></u>
Other (specify)	<u></u>
<u></u>	<u></u>
<u></u>	<u></u>
<b>Total noncash investing, capital, and financing activities:</b>	<b>\$ <u><u>-</u></u></b>

(Concluded)

The accompanying notes are an integral part of this statement.

Statement D

**STATE OF LOUISIANA**  
**BOARD OF EXAMINERS OF NURSING FACILITY ADMINISTRATORS (BTA)**  
**Notes to the Financial Statement**  
**As of and for the year ended June 30, 2005**

**INTRODUCTION**

The Board of Examiners of Nursing Facility Administrators (BTA) was created by the Louisiana State Legislature under the provisions of Louisiana Revised Statute 37.2501. The following is a brief description of the operations of Board of Examiners of Nursing Facility Administrators (BTA) which includes the parish/parishes in which the (BTA) is located:

**A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**1. BASIS OF ACCOUNTING**

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. The GASB has issued a Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification). This codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments. The accompanying financial statements have been prepared in accordance with such principles.

The accompanying financial statements of Board of Examiners of Nursing Facility Administrators present information only as to the transactions of the programs of the Board of Examiners of Nursing Facility Administrators as authorized by Louisiana statutes and administrative regulations.

Basis of accounting refers to when revenues and expenses are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The accounts of the Board of Examiners of Nursing Facility Administrators are maintained in accordance with applicable statutory provisions and the regulations of the Division of Administration – Office of Statewide Reporting and Accounting Policy as follows:

Revenue Recognition

Revenues are recognized using the full accrual basis of accounting; therefore, revenues are recognized in the accounting period in which they are earned and become measurable.

Expense Recognition

Expenses are recognized on the accrual basis; therefore, expenses, including salaries, are recognized in the period incurred, if measurable.

**B. BUDGETARY ACCOUNTING**

The appropriations made for the operations of the various programs of the Board of Examiners of Nursing Facility Administrators (BTA) are annual lapsing appropriations.

1. The budgetary process is an annual appropriation valid for one year.
2. The agency is prohibited by statute from over expending the categories established in the budget.
3. Budget revisions are granted by the Joint Legislative Budget Committee, a committee of the Louisiana Legislature. Interim emergency appropriations may be granted by the Interim Emergency Board.
4. The budgetary information included in the financial statements include the original appropriation plus subsequent amendments as follows:

**STATE OF LOUISIANA**  
**BOARD OF EXAMINERS OF NURSING FACILITY ADMINISTRATORS (BTA)**  
**Notes to the Financial Statement**  
**As of and for the year ended June 30, 2005**

	<u>APPROPRIATIONS</u>
Original approved budget	\$ _____
Amendments:	_____
	_____
	_____
Final approved budget	\$ _____ -

**C. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS** (If all agency cash and investments are deposited in the State Treasury, disregard Note C.)

**1. DEPOSITS WITH FINANCIAL INSTITUTIONS**

For reporting purposes, deposits with financial institutions include savings, demand deposits, time deposits, and certificates of deposit. Under state law the Board of Examiners of Nursing Facility Administrators (BTA) may deposit funds within a fiscal agent bank selected and designated by the Interim Emergency Board. Further, the (BTA) may invest in time certificates of deposit in any bank domiciled or having a branch office in the state of Louisiana; savings accounts or shares of savings and loan associations and savings banks, and in share accounts and share certificate accounts of federally or state chartered credit unions.

For the purpose of the Statement of Cash Flows, all highly liquid investments (including restricted assets with a maturity of three months or less when purchased) are considered to be cash equivalents.

Deposits in bank accounts are stated at cost, which approximates market. Under state law these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These pledged securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank in the form of safekeeping receipts held by the State Treasurer.

Following GASB Statement 3, deposits were classified into three categories of custodial credit risk depending on whether they were insured or collateralized, and who held the collateral and how it was held. Category 1 – Deposits that are covered by insurance (FDIC) or collateralized with securities that are held by the entity in the entity's name or registered in the entity's name. (separate disclosure no longer required)

Category 2 – Deposits that are not insured but are collateralized with securities that are held by the financial institution's trust department or agent and are in the entity's name. (separate disclosure no longer required)

Category 3 – Deposits that are not covered by insurance and also are not collateralized. Not collateralized includes when the securities (collateral) are held by the financial institution's trust department or agent and they are not in the entity's name. (separate disclosure still required)

**GASB Statement 40 amended GASB Statement 3 to eliminate the requirement to disclose all deposits by the 3 categories of risk listed above. GASB Statement 40 requires only the disclosure of deposits that are considered to be exposed to custodial credit risk. An entity's deposits are exposed to custodial credit risk if the deposit balances are either 1) uninsured and uncollateralized, 2) uninsured and collateralized with securities held by the pledging financial institution, or 3) uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the entity's name.**

**STATE OF LOUISIANA  
BOARD OF EXAMINERS OF NURSING FACILITY ADMINISTRATORS (BTA)**

**Notes to the Financial Statement**

**As of and for the year ended June 30, 2005**

The deposits at June 30, 2005, consisted of the following:

	<u>Cash</u>	<u>Certificates of Deposit</u>	<u>Other (Describe)</u>	<u>Total</u>
Deposits in Bank Accounts Per Balance Sheet	\$ <u>58,938</u>	\$ <u>          </u>	\$ <u>          </u>	\$ <u>58,938</u>
Bank Balances of Deposits Exposed to Custodial Credit Risk:				
a. Uninsured and uncollateralized	<u>-</u>	<u>          </u>	<u>          </u>	<u>-</u>
b. Uninsured and collateralized with securities held by the pledging institution	<u>-</u>	<u>          </u>	<u>          </u>	<u>-</u>
c. Uninsured and collateralized with securities held held by the pledging institution's trust department or agent, <u>but not in the entities name</u>	<u>-</u>	<u>          </u>	<u>          </u>	<u>-</u>
Total Bank Balances - All Deposits	\$ <u>58,938</u>	\$ <u>          </u>	\$ <u>          </u>	\$ <u>58,938</u>

NOTE: The "Total Bank Balances – All Deposits" will not necessarily equal the "Deposits in Bank Account per Balance Sheet".

The following is a breakdown by banking institution, program, account number, and amount of the balances shown above:

<u>Banking institution</u>	<u>Program</u>	<u>Amount</u>
1. Hancock Bank	Checking	\$ <u>47,941</u>
2. Chase Bank	Money Market	<u>8,483</u>
3. Regions Bank	Savings	<u>2,514</u>
4. <u>                                </u>	<u>                                </u>	<u>                                </u>
Total		\$ <u>58,938</u>

Cash in State Treasury and petty cash are not required to be reported in the note disclosure. However, to aid in reconciling amounts reported on the Balance Sheet to amounts reported in this note, list below any cash in treasury and petty cash that are included on the Balance Sheet.

Cash in State Treasury	\$ <u>0</u>
Petty cash	\$ <u>500</u>

**2. INVESTMENTS                      NONE**

The                                  (BTA) does (does not) maintain investment accounts as authorized by                                  (Note legal provisions authorizing investments by (BTA)).

**Custodial Credit Risk**

Investments can be exposed to custodial credit risk if the securities underlying the investment are uninsured and unregistered, not registered in the name of the entity, and are held either by the counterparty, or the counterparty's trust department or agent but not in the entity's name.

**GASB Statement 40 amended GASB Statement 3 to eliminate the requirement to disclose all investments by the 3 categories of risk. GASB Statement 40 requires only the separate disclosure of investments that are considered to be exposed to custodial credit risk. In addition, the total**

**As of and for the year ended June 30, 2005**

reported amount and fair value columns still must be reported for total investments regardless of exposure to custodial credit risk. Those investments exposed to custodial credit risk are reported by type in one of two separate columns depending upon whether they are held by a counterparty, or held by a counterparty's trust department or agent not in the entity's name.

	<u>Investments Exposed to Custodial Credit Risk</u>		<u>All Investments Regardless of Custodial Credit Risk Exposure</u>	
<u>Type of Investment</u>	<u>Uninsured, *Unregistered, and Held by Counterparty</u>	<u>Uninsured, *Unregistered, and Held by Counterparty's Trust Dept. or Agent Not in Entity's Name</u>	<u>Reported Amount</u>	<u>Fair Value</u>
Repurchase agreements	\$ _____	\$ _____	\$ _____	\$ _____
U.S. Government securities	_____	_____	_____	_____
U.S. Agency Obligations	_____	_____	_____	_____
Common & preferred stock	_____	_____	_____	_____
Commercial paper	_____	_____	_____	_____
Corporate bonds	_____	_____	_____	_____
Other: (identify)	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
Total investments	\$ - \$ _____	\$ - \$ _____	\$ - \$ _____	\$ - \$ _____

\*unregistered - not registered in the name of the government or entity

3. Derivatives NONE  
The institution does/does not (circle one) invest in **derivatives** as part of its investment policy.  
Accordingly, the exposure to risks from these investments is as follows:  
credit risk \_\_\_\_\_  
market risk \_\_\_\_\_  
legal risk \_\_\_\_\_

- #### 4. Credit Risk, Concentration of Credit Risk, Interest Rate Risk, and Foreign Currency Risk Disclosures

### A. Credit Risk of Debt Investments

**Disclose the credit risk of debt investments by credit quality ratings as described by rating agencies as of the fiscal year end. All debt investments regardless of type can be aggregated by credit quality rating (if any are un-rated, disclose that amount).**



**STATE OF LOUISIANA**  
**BOARD OF EXAMINERS OF NURSING FACILITY ADMINISTRATORS (BTA)**  
**Notes to the Financial Statement**  
**As of and for the year ended June 30, 2005**

<u>Rating</u>	<u>Fair Value</u>
	\$
Total	\$ -

**B. Interest rate Risk**

**1. Disclose the interest rate risk of debt investments by listing the investment type, total fair value, and breakdown of maturity in years for each debt investment type.**

<u>Type of Debt Investment</u>	<u>Fair Value</u>	<u>Investment Maturities (in Years)</u>			
		<u>Less Than 1</u>	<u>1 - 5</u>	<u>6 - 10</u>	<u>Greater Than 10</u>
U.S. Government obligations	\$	\$	\$	\$	\$
U.S. Agency obligations					
U.S. Treasury obligations					
Mortgage backed securities					
Collateralized mortgage obligations					
Corporate bonds					
Other bonds					
Mutual funds					
Other					
Total debt investments	\$ -	\$ -	\$ -	\$ -	\$ -

**2. List the fair value and terms of any debt investments that are highly sensitive to changes in interest rates due to the terms of the investment (eg. coupon multipliers, reset dates, etc.):**

<u>Debt Investment</u>	<u>Fair Value</u>	<u>Terms</u>
	\$	
Total	\$ -	

**C. Concentration of Credit Risk NONE**

**List, by amount and issuer investments in any one issuer that represents 5% or more of total investments (not including U.S. government securities, mutual funds, and investment pools).**

STATE OF LOUISIANA  
BOARD OF EXAMINERS OF NURSING FACILITY ADMINISTRATORS (BTA)  
Notes to the Financial Statement  
As of and for the year ended June 30, 2005

<u>Issuer</u>	<u>Amount</u>	<u>% of Total Investments</u>
_____	\$ _____	_____
_____	_____	_____
_____	_____	_____
Total	\$ _____ -	

**D. Foreign Currency Risk NONE**

Disclose the U.S. dollar balances of any deposits or investments that are exposed to foreign currency risk (deposits or investments denominated in foreign currencies). List by currency denomination and investment type, if applicable.

<u>Foreign Currency</u>	<u>Fair Value in U.S. Dollars</u>	
	<u>Bonds</u>	<u>Stocks</u>
_____	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
Total	\$ _____ -	\$ _____ -

**5. Policies**

Briefly describe the deposit and/or investment policies related to the custodial credit risk, credit risk of debt investments, concentration of credit risk, interest rate risk, and foreign currency risk disclosed in this note. If no policy exists concerning the risks disclosed, please state that fact.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**6. Other Disclosures Required for Investments**

- a. Investments in pools managed by other governments or mutual funds \_\_\_\_\_
- b. Securities underlying reverse repurchase agreements \_\_\_\_\_
- c. Unrealized investment losses \_\_\_\_\_
- d. Commitments as of \_\_\_\_\_ (fiscal close), to resell securities under yield maintenance repurchase agreements:
  1. Carrying amount and market value at June 30 of securities to be resold \_\_\_\_\_
  2. Description of the terms of the agreement \_\_\_\_\_

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- e. Losses during the year due to default by counterparties to deposit or investment transactions \_\_\_\_\_
- f. Amounts recovered from prior-period losses which are not shown separately on the balance sheet \_\_\_\_\_

Legal or Contractual Provisions for Reverse Repurchase Agreements NONE

- g. Source of legal or contractual authorization for use of reverse repurchase agreements \_\_\_\_\_
- h. Significant violations of legal or contractual provisions for reverse repurchase agreements that occurred during the year \_\_\_\_\_

Reverse Repurchase Agreements at Year-End NONE

- i. Credit risk related to the reverse repurchase agreements (other than yield maintenance agreements) outstanding at balance sheet date, that is, the aggregate amount of reverse repurchase agreement obligations including accrued interest compared to aggregate market value of the securities underlying those agreements including interest \_\_\_\_\_
- j. Commitments on \_\_\_\_\_ (fiscal close), to repurchase securities under yield maintenance agreements \_\_\_\_\_
- k. Market value on \_\_\_\_\_ (fiscal close), of the securities to be repurchased \_\_\_\_\_
- l. Description of the terms of the agreements to repurchase \_\_\_\_\_
- m. Losses recognized during the year due to default by counterparties to reverse repurchase agreements \_\_\_\_\_
- n. Amounts recovered from prior-period losses which are not separately shown on the operating statement \_\_\_\_\_

Fair Value Disclosures NONE

- o. Methods and significant assumptions used to estimate fair value of investments, if fair value is not based on quoted market prices \_\_\_\_\_
- p. Basis for determining which investments, if any, are reported at amortized cost \_\_\_\_\_
- q. For investments in external investment pools that are not SEC-registered, a brief description of any regulatory oversight for the pool \_\_\_\_\_
- r. Whether the fair value of your investment in the external investment pool is the same as the value of the pool shares \_\_\_\_\_
- s. Any involuntary participation in an external investment pool \_\_\_\_\_

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t. If you are unable to obtain information from a pool sponsor to determine the fair value of your investment in the pool, methods used and significant assumptions made in determining that fair value and the reasons for having had to make such an estimate \_\_\_\_\_

u. Any income from investments associated with one fund that is assigned to another fund \_\_\_\_\_

**D. CAPITAL ASSETS-INCLUDING CAPITAL LEASE ASSETS**

The fixed assets used in the Special Purpose Government Engaged only in Business-Type Activities are included on the balance sheet of the entity and are capitalized at cost. Depreciation of all exhaustible fixed assets used by the entity are charged as an expense against operations. Accumulated depreciation is reported on the balance sheet. Depreciation for financial reporting purposes is computed by the straight-line method over the useful lives of the assets.

Year ended June 30, 2005							
	Balance 6/30/2004	Prior Period Adjustment	Adjusted Balance 6/30/2004	Additions	Transfers*	Retirements	Balance 6/30/2005
<b>Capital assets not being depreciated</b>							
Land	\$ --	\$ --	\$ --	\$ 27,300	\$ --	\$ --	\$ 27,300
Non-depreciable land improvements			--				--
Capitalized collections			--				--
Construction in progress			--				--
<b>Total capital assets not being depreciated</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ 27,300</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ 27,300</b>
<b>Other capital assets</b>							
Furniture, fixtures, and equipment	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Less accumulated depreciation			--				--
<b>Total furniture, fixtures, and equipment</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
Buildings and improvements	--	--	--	154,697	--	--	154,697
Less accumulated depreciation			--				--
<b>Total buildings and improvements</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>154,697</b>	<b>--</b>	<b>--</b>	<b>154,697</b>
Depreciable land improvements			--				--
Less accumulated depreciation			--				--
<b>Total depreciable land improvements</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
Infrastructure			--				--
Less accumulated depreciation	--	--	--	(2,745)	--	--	(2,745)
<b>Total infrastructure</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>(2,745)</b>	<b>--</b>	<b>--</b>	<b>(2,745)</b>
<b>Total other capital assets</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ 151,952</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ 151,952</b>
<b>Capital Asset Summary:</b>							
Capital assets not being depreciated	\$ --	\$ --	\$ --	\$ 27,300	\$ --	\$ --	\$ 27,300
Other capital assets, at cost	--	--	--	154,697	--	--	154,697
<b>Total cost of capital assets</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>181,997</b>	<b>--</b>	<b>--</b>	<b>181,997</b>
Less accumulated depreciation	--	--	--	(2,745)	--	--	(2,745)
<b>Capital assets, net</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ 179,252</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ 179,252</b>

\* Should be used only for those completed projects coming out of construction-in-progress to fixed assets; not associated with transfers reported elsewhere in this packet.

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**E. INVENTORIES                      NONE**

The unit's inventories are valued at \_\_\_\_\_ (method of valuation). These are perpetual inventories and are expensed when used. **NOTE: Do not include postage. This must be shown as a prepayment.**

**F. RESTRICTED ASSETS                      NONE**

Restricted assets in the \_\_\_\_\_ (BTA) at \_\_\_\_\_ (fiscal year end), reflected at \$ \_\_\_\_\_ in the non-current assets section on Statement A, consist of \$ \_\_\_\_\_ in cash with fiscal agent, \$ \_\_\_\_\_ in receivables, and \$ \_\_\_\_\_ investment in \_\_\_\_\_ (identify the type investments held.) State the purpose of the restriction: \_\_\_\_\_

**G. LEAVE**

**1. COMPENSATED ABSENCES**

The Board of Examiners of Nursing Facility Administrators has the following policy on annual and sick leave: (Describe leave policy.)

An example disclosure follows:

*Employees earn and accumulate annual and sick leave at various rates depending on their years of service. The amount of annual and sick leave that may be accumulated by each employee is unlimited. Upon termination, employees or their heirs are compensated for up to 300 hours of unused annual leave at the employee's hourly rate of pay at the time of termination. Upon retirement, unused annual leave in excess of 300 hours plus unused sick leave is used to compute retirement benefits.*

The cost of leave privileges, computed in accordance with GASB Codification Section C60, is recognized as a current year expenditure in the fund when leave is actually taken; it is recognized in the enterprise funds when the leave is earned. The cost of leave privileges applicable to general government operations not requiring current resources is recorded in long-term obligations.

**2. COMPENSATORY LEAVE                      NONE**

Employees who are considered having non-exempt status according to the guidelines contained in the Fair Labor Standards Act may be paid for compensatory leave earned (K-time). Upon termination or transfer, an employee will be paid for any time and one-half compensatory leave earned and may or may not be paid for any straight hour-for-hour compensatory leave earned. Compensation paid will be based on the employees' hourly rate of pay at termination or transfer. The liability for accrued payable compensatory leave at \_\_\_\_\_ (fiscal close) computed in accordance with the Codification of Governmental Accounting and Financial Reporting Standards, Section C60.105 is estimated to be \$ \_\_\_\_\_. The leave payable (is) (is not) recorded in the accompanying financial statements.

**H. RETIREMENT SYSTEM**

Substantially all of the employees of the Board of Examiners of Nursing Facility Administrators are members of the Louisiana State Employees Retirement System, a cost sharing multiple-employer, defined benefit pension plan. The System is a statewide public employee retirement system (PERS) for the benefit of state employees, which is administered and controlled by a separate board of trustees.

All full-time Board of Examiners of Nursing Facility Administrators (BTA) employees are eligible to participate in the System. Benefits vest with 10 years of service. At retirement age, employees are entitled to annual

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benefits equal to \$300 plus 2.5% of their highest consecutive 36 months' average salary multiplied by their years of credited service.

Vested employees are entitled to a retirement benefit, payable monthly for life at (a) any age with 30 years of service, (b) age 55 with 25 years of service, or (c) age 60 with 10 years of service. In addition, vested employees have the option of reduced benefits at any age with 20 years of service. The System also provides death and disability benefits. Benefits are established or amended by state statute. The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana State Employees Retirement System, Post Office Box 44213, Baton Rouge, Louisiana 70804-4213, or by calling (225) 922-0608 or (800) 256-3000.

Members are required by state statute to contribute 7.5% of gross salary, and the Board of Examiners of Nursing Facility Administrators (BTA) is required to contribute at an actuarially determined rate as required by R.S. 11:102. The contribution rate for the fiscal year ended June 30, 2005, increased to 17.8% of annual covered payroll from the 15.8% and 14.1% required in fiscal years ended June 30, 2004 and 2003, respectively. The Board of Examiners of Nursing Facility Administrators (BTA) contributions to the System for the years ending June 30, 2005, 2004, and 2003, were \$26,938, \$22,991, and \$19,726, respectively, equal to the required contributions for each year.

**I. POST RETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS                      NONE**

GASB 12 requires the following disclosures about an employer's accounting for post retirement health care and life insurance benefits:

1. A description of the benefits provided and the employee group covered.
2. A description of the accounting and funding policies followed for those benefits.
3. The cost of those benefits recognized for the period, unless the costs are not readily determinable.\*\*
4. The effect of significant matters affecting the comparability of the costs recognized for all periods presented.

**\*\*If the cost of any post retirement health care or life insurance benefits cannot readily be separated from the cost of providing such benefits for active employees or otherwise be reasonably approximated, the total cost of providing those benefits to active employees and retirees, as well as the number of active employees and the number of retirees covered by the plan must be disclosed.**

Substantially all (BTA) employees become eligible for post employment health care, dental and life insurance benefits if they reach normal retirement age while working for the (BTA). These benefits for retirees and similar benefits for active employees are provided through an insurance company whose premiums are paid jointly by the employee and the (BTA). For 2004, the cost of providing those benefits for the \_\_\_\_\_ retirees totaled \$ \_\_\_\_\_.

The \_\_\_\_\_ (BTA) provides certain continuing health care and life insurance benefits for its retired employees. Substantially all (BTA) employees become eligible for those benefits if they reach normal retirement age while working for the (BTA). Those benefits for retirees and similar benefits for active employees are provided through an insurance company whose monthly premiums are paid jointly by the employee and by the (BTA). The (BTA) recognizes the cost of providing these benefits ((BTA)'s portion of premiums) as an expenditure when paid during the year, which was \$ \_\_\_\_\_ for the year ended \_\_\_\_\_, 20\_\_\_\_. The cost of providing those benefits for \_\_\_\_\_ retirees is not separable from the cost of providing benefits for the \_\_\_\_\_ active employees. (or, The (BTA)'s cost of providing retiree health care and life insurance benefits are recognized as expenditures when the monthly premiums are paid. For the year ended \_\_\_\_\_, 20\_\_\_\_ the costs of \_\_\_\_\_ retiree benefits totaled \$ \_\_\_\_\_).

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**J. LEASES NONE**

**1. OPERATING LEASES**

The total payments for operating leases during fiscal year \_\_\_\_\_ amounted to \$ \_\_\_\_\_. (Note: If lease payments extend past FY2020, please create additional columns and report these future minimum lease payments in five year increments.) A schedule of payments for operating leases follows:

<u>Nature of lease</u>	<u>FY2006</u>	<u>FY2007</u>	<u>FY2008</u>	<u>FY2009</u>	<u>FY2010</u>	<u>FY2011- 2015</u>	<u>FY2016- 2020</u>
	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
	_____	_____	_____	_____	_____	_____	_____
	_____	_____	_____	_____	_____	_____	_____
	_____	_____	_____	_____	_____	_____	_____
	_____	_____	_____	_____	_____	_____	_____
<b>Total</b>	<b>\$ _____</b>	<b>\$ _____</b>	<b>\$ _____</b>	<b>\$ _____</b>	<b>\$ _____</b>	<b>\$ _____</b>	<b>\$ _____</b>

**2. CAPITAL LEASES NONE**

Capital leases are (are not) recognized in the accompanying financial statements. The amounts to be accrued for capital leases and the disclosures required for capital and operating leases by National Council on Governmental Accounting (NCGA) Statement No. 5, as adopted by the Governmental Accounting Standards Board, and FASB 13 should be reported on the following schedules:

Capital leases are defined as an arrangement in which any one of the following conditions apply: (1) ownership transfers by the end of the lease, (2) the lease contains a bargain purchase option, (3) the lease term is 75% of the asset life or, (4) the discounted minimum lease payments are 90% of the fair market value of the asset.

**SCHEDULE A - TOTAL AGENCY CAPITAL LEASES EXCEPT LEAF**

<u>Nature of lease</u>	<u>Gross Amount of Leased Asset (Historical Costs)</u>	<u>Remaining interest to end of lease</u>	<u>Remaining principal to end of lease</u>
a. Office space	\$ _____	\$ _____	\$ _____
b. Equipment	_____	_____	_____
c. Land	_____	_____	_____
<b>Total</b>	<b>\$ _____</b>	<b>\$ _____</b>	<b>\$ _____</b>

The following is a schedule by years of future minimum lease payments under capital leases together with the present value of the net minimum lease payments as of (last day of your fiscal year) and a breakdown of yearly principal and interest: (Note: If lease payments extend past FY2025, please create additional rows and report these future minimum lease payments in five year increments.)

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Year ending June 30:	<u>Total</u>
2006	\$ _____
2007	_____
2008	_____
2009	_____
2010	_____
2011-2015	_____
2016-2020	_____
2021-2025	_____
Total minimum lease payments	_____ -
Less amounts representing executory costs	_____
Net minimum lease payments	_____ -
Less amounts representing interest	_____
Present value of net minimum lease payments	\$ _____ -

**SCHEDULE B – NEW AGENCY CAPITAL LEASES EXCEPT LEAF**

<u>Nature of lease</u>	<u>Gross Amount of Leased Asset (Historical Costs)</u>	<u>Remaining interest to end of lease</u>	<u>Remaining principal to end of lease</u>
a. Office space	\$ _____	\$ _____	\$ _____
b. Equipment	_____	_____	_____
c. Land	_____	_____	_____
Total	\$ _____ -	\$ _____ -	\$ _____ -

The following is a schedule by years of future minimum lease payments under capital leases together with the present value of the net minimum lease payments as of (last day of your fiscal year) and a breakdown of yearly principal and interest: (Note: If lease payments extend past FY2025, please create additional rows and report these future minimum lease payments in five year increments.)

Year ending June 30:	<u>Total</u>
2006	\$ _____
2007	_____
2008	_____
2009	_____
2010	_____
2011-2015	_____
2016-2020	_____
2021-2025	_____
Total minimum lease payments	_____ -
Less amounts representing executory costs	_____
Net minimum lease payments	_____ -
Less amounts representing interest	_____
Present value of net minimum lease payments	\$ _____ -



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SCHEDULE C - LEAF CAPITAL LEASES

<u>Nature of lease</u>	<u>Gross Amount of Leased Asset (Historical Costs)</u>	<u>Remaining interest to end of lease</u>	<u>Remaining principal to end of lease</u>
a. Office space	\$ _____	\$ _____	\$ _____
b. Equipment	_____	_____	_____
c. Land	_____	_____	_____
Total	\$ _____ _____	\$ _____ _____	\$ _____ _____

The following is a schedule by years of future minimum lease payments under capital leases together with the present value of the net minimum lease payments as of (last day of your fiscal year) and a breakdown of yearly principal and interest: (Note: If lease payments extend past FY2025, please create additional rows and report these future minimum lease payments in five year increments.)

<u>Year ending June 30:</u>	<u>Total</u>
2006	\$ _____
2007	_____
2008	_____
2009	_____
2010	_____
2011-2015	_____
2016-2020	_____
2021-2025	_____
Total minimum lease payments	_____
Less amounts representing executory costs	_____
Net minimum lease payments	_____
Less amounts representing interest	_____
Present value of net minimum lease payments	\$ _____ _____

3. LESSOR DIRECT FINANCING LEASES NONE

A lease is classified as a direct financing lease (1) when any one of the four capitalization criteria used to define a capital lease for the lessee is met and (2) when both the following criteria are satisfied:

- Collectibility of the minimum lease payments is reasonably predictable.
- No important uncertainties surround the amount of the unreimbursable costs yet to be incurred by the lessor under the lease.

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Provide a general description of the direct financing agreement, and complete the chart below:

<u>Composition of lease</u>	<u>Date of lease</u>	<u>Minimum lease payment receivable</u>	<u>Remaining Interest to end of lease</u>	<u>Remaining Principal to end of lease</u>
a. Office space	\$ _____	\$ _____	\$ _____	\$ _____
b. Equipment	_____	_____	_____	_____
c. Land	_____	_____	_____	_____
Less amounts representing executory costs		_____		
Minimum lease payment receivable		_____ -		
Less allowance for doubtful accounts		_____		
Net minimum lease payments receivable		_____ -		
Less: Estimated Residual Value of Leased Property		_____		
Less unearned income		_____		
Net investment in direct financing lease		\$ _____ -		

Minimum lease payments receivables do not include contingent rentals which may be received as stipulated in the lease contracts. Contingent rental payments occur if for example the use of the equipment, land, or building etc., exceeds a certain level of activity each year. Contingent rentals received for fiscal year 2005 were \$ \_\_\_\_\_ for office space, \$ \_\_\_\_\_ for equipment, and \$ \_\_\_\_\_ for land.

The following is a schedule by year of minimum leases receivable for the remaining fiscal years of the lease as of \_\_\_\_\_ (the last day of your fiscal year): (Note: If lease receivables extend past FY2025, please create additional rows and report these future minimum lease payment receivables in five year increments.)

Year ending _____:	
2006	\$ _____
2007	_____
2008	_____
2009	_____
2010	_____
2011-2015	_____
2016-2020	_____
2021-2025	_____
Total	\$ _____ -

**4. LESSOR – OPERATING LEASE                      NONE**

When a lease agreement does not satisfy at least one of the four criteria (common to both lessee and lessor accounting), and both of the criteria for a lessor (collectibility and no uncertain reimbursable costs), the lease is classified as an operating lease. In an operating lease, there is no simulated sale and the lessor simply records rent revenues as they become measurable and available.

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Provide the cost and carrying amount, if different, of property on lease or held for lease organized by major class of property and the amount of accumulated depreciation as of \_\_\_\_\_ 20\_\_:

	<u>Cost</u>	<u>Accumulated depreciation</u>	<u>Carrying amount</u>
a. Office space	\$ _____	\$ _____	\$ _____
b. Equipment	_____	_____	_____
c. Land	_____	_____	_____
Total	\$ _____ -	\$ _____ -	\$ _____ -

The following is a schedule by years of minimum future rentals receivable on non-cancelable operating lease(s) as of \_\_\_\_\_ (the last day of your fiscal year): (Note: If lease receivables extend past FY2025, please create additional columns and report these future minimum lease payment receivables in five year increments.)

<u>Year Ended</u> <u>June 30,</u>	<u>Office Space</u>	<u>Equipment</u>	<u>Land</u>	<u>Other</u>	<u>Total</u>
2006	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____ -
2007					-
2008					-
2009					-
2010					-
2011-2015					-
2016-2020					-
2021-2025	_____	_____	_____	_____	-
Total	\$ _____ -	\$ _____ -	\$ _____ -	\$ _____ -	\$ _____ -

Current year lease revenues received in fiscal year \_\_\_\_\_ totaled \$ \_\_\_\_\_.

Contingent rentals received from operating leases received for your fiscal year was \$ \_\_\_\_\_ for office space, \$ \_\_\_\_\_ for equipment, and \$ \_\_\_\_\_ for land.

**K. LONG-TERM LIABILITIES**

The following is a summary of long-term debt transactions of the entity for the year ended June 30, 2005:

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subsequent year      \$ \_\_\_\_\_ \$ \_\_\_\_\_ \$ \_\_\_\_\_ \$ \_\_\_\_\_ \$ \_\_\_\_\_ 0

	Year ended June 30, 2005				
	Balance June 30, 2004	Additions	Reductions	Balance June 30, 2005	Amounts due within one year
<b>Bonds and notes payable:</b>					
Notes payable	\$ --	\$ 106,205	\$ 13,823	\$ 92,382	\$ 18,580
Reimbursement contracts payable				--	
Bonds payable				--	
Total notes and bonds	--	106,205	13,823	92,382	18,580
<b>Other liabilities:</b>					
Contracts payable				--	
Compensated absences payable	20,561	1,925	18,406	4,080	
Capital lease obligations				--	
Liabilities payable from restricted assets				--	

A detailed summary, by issues, of all debt outstanding at June 30, 20\_\_, including outstanding interest of \$ \_\_\_\_\_ is shown on schedule 4. Schedule 5 is an amortization schedule of the outstanding debt. (Send OSRAP a copy of the amortization schedule for any new debt issued.)

**L. LITIGATION                      NONE**

1. The \_\_\_\_\_ (BTA) is a defendant in litigation seeking damages as follows:

Date of Action	Description of Litigation and Probable outcome (remote, reasonably possible or probable)	Primary Attorney	Damages Claimed	Insurance Coverage
_____	_____	_____	\$ _____	\$ _____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Totals			\$ _____	\$ _____

The \_\_\_\_\_ (BTA)'s legal advisor estimates that potential claims not covered by insurance would affect the financial statement as follows (would not materially affect the financial statements or is unable to estimate the effect on the financial statement):

2. Claims and litigation costs of \$ \_\_\_\_\_ were incurred in the current year and are reflected in the accompanying financial statement.

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**M. RELATED PARTY TRANSACTIONS      NONE**

(FASB 57 requires disclosure of the description of the relationship, the transaction(s), the dollar amount of the transaction(s) and any amounts due to or from which result from related party transactions. List all related party transactions). \_\_\_\_\_

**N. ACCOUNTING CHANGES      NONE**

Accounting changes made during the year involved a change in accounting \_\_\_\_\_ (principle, estimate, error or entity). The effect of the change is being shown in \_\_\_\_\_.

**O. IN-KIND CONTRIBUTIONS      NONE**

(List all in-kind contributions that are not included in the accompanying financial statements.)

<u>In-Kind Contributions</u>	<u>Cost/Estimated Cost/Fair Market Value/As Determined by the Grantor</u>
_____	\$ _____
_____	_____
_____	_____
_____	_____
_____	_____
Total	\$ _____ -

**P. DEFEASED ISSUES      NONE**

In \_\_\_\_\_, 20\_\_\_\_, the \_\_\_\_\_ (BTA), issued \$\_\_\_\_\_ of taxable bonds. The purpose of the issue was to provide monies to advance refund portions of \_\_\_\_\_ bonds. In order to refund the bonds, portions of the proceeds of the new issue \$\_\_\_\_\_, plus an additional \$\_\_\_\_\_ of sinking fund monies together with certain other funds and/or securities, were deposited and held in an escrow fund created pursuant to an escrow deposit agreement dated \_\_\_\_\_ between the (BTA) and the escrow trustee. The amount in the escrow, together with interest earnings, will be used to pay the principal, redemption premium, and interest when due. The refunding resulted in reducing the total debt service payments by almost \$\_\_\_\_\_ and gave the (BTA) an economic gain (difference between the present values of the debt service payments on the old and new debt of \$\_\_\_\_\_.

**Q. COOPERATIVE ENDEAVORS      NONE**

LRS 33:9022 defines cooperative endeavors as any form of economic development assistance between

**STATE OF LOUISIANA**  
**BOARD OF EXAMINERS OF NURSING FACILITY ADMINISTRATORS (BTA)**  
**Notes to the Financial Statement**  
**As of and for the year ended June 30, 2005**

and among the state of Louisiana, its local governmental subdivisions, political corporations, public benefit corporations, the United States government or its agencies, or any public or private association, corporation, or individual. The term cooperative endeavor includes cooperative financing, cooperative development, or any form of cooperative economic development activity. The state of Louisiana has entered into cooperative endeavor agreements with certain entities aimed at developing the economy of the state.

Some cooperative endeavor contracts are not coded with a document type of "COP" on the Contract Financial Management Subsystem (CFMS), but are considered cooperative endeavors. Include these below with your cooperative endeavor contracts coded with a document type of "COP". Examples of contracts that are considered cooperative endeavors, but are not coded with a document type of "COP" include contracts that fall under delegated authority, Facility Planning and Control "CEA" contracts, certain federal government contracts, contracts that legislative auditors may have designated as such within your agency, work incumbent programs, etc. In prior years, this information was requested as supplemental documentation after the AFRs were submitted, usually in October or November.

The liability outstanding for fiscal year ending June 30, 2005, by funding source, is as follows:

<u>Funding Source</u>	<u>Balance</u> <u>June 30, 2005</u>
State General Fund	\$ _____
Self-generated revenue	_____
Statutorily dedicated revenue	_____
General obligation bonds	_____
Federal funds	_____
Interagency transfers	_____
Other funds/combination	_____

NOTE: Amounts in excess of contract limits **cannot** be used to reduce the outstanding contract balance at June 30, 2005. For example, if a contract specifies a percentage of usage for each month (25%) and usage exceeds that percentage (75%), you cannot claim actual usage that exceeds contract requirements (50%).

NOTE: In order to compute your ending balances by funding source, you should begin with your balances at June 30, 2004. These amounts will be increased by amounts for new contracts and amendments and decreased for payments as well as for liquidations.

**R. GOVERNMENT-MANDATED NONEXCHANGE TRANSACTIONS (GRANTS) NONE**

The following government-mandated nonexchange transactions (grants) were received during fiscal year 2004-2005:

<u>CFDA</u> <u>Number</u>	<u>Program Name</u>	<u>State Match</u> <u>Percentage</u>	<u>Total Amount</u> <u>of Grant</u>
_____	_____	_____	\$ _____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
Total government-mandated nonexchange transactions (grants)			\$ _____

**STATE OF LOUISIANA**  
**BOARD OF EXAMINERS OF NURSING FACILITY ADMINISTRATORS (BTA)**  
**Notes to the Financial Statement**  
**As of and for the year ended June 30, 2005**

**S. VIOLATIONS OF FINANCE-RELATED LEGAL OR CONTRACTUAL PROVISIONS** **NONE**

At June 30, 20\_\_, the \_\_\_\_\_ (BTA) was not in compliance with the provisions of \_\_\_\_\_ Bond Reserve Covenant that requires \_\_\_\_\_ The \_\_\_\_\_ (BTA) did \_\_\_\_\_ to correct this deficiency.

**T. SHORT-TERM DEBT** **NONE OTHER THAN CURRENT PORTION OF LONG TERM DEBT.**

The \_\_\_\_\_ (BTA) issues short-term notes for the following purposes: \_\_\_\_\_

Short-term debt activity for the year ended June 30, 20\_\_, was as follows:

List the type of S-T debt (e.g., tax anticipation notes):	Beginning Balance	Issued	Redeemed	Ending Balance
_____	\$ _____	\$ _____	\$ _____	\$ _____ -

The \_\_\_\_\_ (BTA) uses a revolving line of credit for the following purposes: \_\_\_\_\_ . Short-term debt activity for the year ended June 30, 20\_\_, was as follows:

	Beginning Balance	Draws	Redeemed	Ending Balance
Line of credit	\$ _____	\$ _____	\$ _____	\$ _____ -

**U. DISAGGREGATION OF RECEIVABLE BALANCES** **NONE**

Receivables at June 30, 20\_\_, were as follows:

Activity	Customer Receivables	Taxes	Receivables from other Governments	Other Receivables	Total Receivables
_____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____ -
_____	_____	_____	_____	_____	_____ -
Gross receivables	\$ _____ -	\$ _____ -	\$ _____ -	\$ _____ -	\$ _____ -
Less allowance for uncollectible accounts	_____ -	_____ -	_____ -	_____ -	_____ -
Receivables, net	\$ _____ -	\$ _____ -	\$ _____ -	\$ _____ -	\$ _____ -
Amounts not scheduled for collection during the subsequent year	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____ -

**STATE OF LOUISIANA**  
**BOARD OF EXAMINERS OF NURSING FACILITY ADMINISTRATORS (BTA)**  
**Notes to the Financial Statement**  
**As of and for the year ended June 30, 2005**

**V. DISAGGREGATION OF PAYABLE BALANCES**

Payables at June 30, 2005, were as follows:

Activity	Vendors	Salaries and Benefits	Accrued Interest	Other Payables	Total Payables
Accounts Payable	\$ 3,382	\$ 2,751	\$	\$	\$ 6,133
Total payables	\$ 3,382	\$ 2,751	\$ -	\$ -	\$ 6,133

**W. SUBSEQUENT EVENTS** **NONE**

*[Disclose any material event(s) affecting the (BTA) occurring between the close of the fiscal period and issuance of the financial statement.]*

**X. SEGMENT INFORMATION** **NONE**

Governments that report enterprise funds or that use enterprise fund accounting and reporting standards to report their activities are required to present segment information for those activities in the notes to the financial statements. For the purposes of this disclosure, a segment is an identifiable activity (or group of activities), reported as or within an enterprise fund or an other stand-alone entity that has one or more bonds or other debt instruments outstanding, with a revenue stream pledged in support of that debt. In addition, the activity's revenues, expenses, gains and losses, assets, and liabilities are required to be accounted for separately. This requirement for separate accounting applies if imposed by an external party, such as accounting and reporting requirements set forth in bond indentures. Disclosure requirements for each segment should be met by identifying the types of goods and services provided and by presenting condensed financial statements in the notes, including the elements in A through C below (GASB 34, paragraph 122, as modified by GASB 37, paragraph 17.)

Type of goods or services provided by the segment \_\_\_\_\_.

**A. Condensed Balance Sheet:**

- (1) Total assets – distinguishing between current assets, capital assets, and other assets. Amounts receivable from other funds or BTA's should be reported separately.
- (2) Total liabilities – distinguishing between current and long-term amounts. Amounts payable to other funds or BTA's should be reported separately.
- (3) Total net assets – distinguishing among restricted; unrestricted; and amounts invested in capital assets, net of related debt.

Condensed Balance Sheet:



**STATE OF LOUISIANA**  
**BOARD OF EXAMINERS OF NURSING FACILITY ADMINISTRATORS (BTA)**  
**Notes to the Financial Statement**  
**As of and for the year ended June 30, 2005**

	<u>Segment #1</u>	<u>Segment #2</u>
Current assets	\$ _____	\$ _____
Due from other funds	_____	_____
Capital assets	_____	_____
Other assets	_____	_____
Current liabilities	_____	_____
Due to other funds	_____	_____
Long-term liabilities	_____	_____
Restricted net assets	_____	_____
Unrestricted net assets	_____	_____
Invested in capital assets, net of related debt	_____	_____

**B. Condensed statement of revenues, expenses, and changes in net assets:**

- (1) Operating revenues (by major source).
- (2) Operating expenses. Depreciation (including any amortization) should be identified separately.
- (3) Operating income (loss).
- (4) Nonoperating revenues (expenses) – with separate reporting of major revenues and expenses.
- (5) Capital contributions and additions to permanent and term endowments.
- (6) Special and extraordinary items.
- (7) Transfers
- (8) Change in net assets.
- (9) Beginning net assets.
- (10) Ending net assets.

**Condensed Statement of Revenues, Expenses, and Changes in Net Assets:**

	<u>Segment #1</u>	<u>Segment #2</u>
Operating revenues	\$ _____	\$ _____
Operating expenses	_____	_____
Depreciation and amortization	_____	_____
Operating income (loss)	_____	_____
Nonoperating revenues (expenses)	_____	_____
Capital contributions/additions to permanent and term endowments	_____	_____
Special and extraordinary items	_____	_____
Transfers in	_____	_____
Transfers out	_____	_____
Change in net assets	_____	_____
Beginning net assets	_____	_____
Ending net assets	_____	_____

**C. Condensed statement of cash flows:**

- (1) Net cash provided (used) by:
  - (a) Operating activities
  - (b) Noncapital financing activities
  - (c) Capital and related financing activities
  - (d) Investing activities

**STATE OF LOUISIANA**  
**BOARD OF EXAMINERS OF NURSING FACILITY ADMINISTRATORS (BTA)**  
**Notes to the Financial Statement**  
**As of and for the year ended June 30, 2005**

- (2) Beginning cash and cash equivalent balances  
(3) Ending cash and cash equivalent balances

**Condensed Statement of Cash Flows:**

	<u>Segment #1</u>	<u>Segment #2</u>
Net cash provided (used) by operating activities	\$ _____	\$ _____
Net cash provided (used) by noncapital financing activities	_____	_____
Net cash provided (used) by capital and related financing activities	_____	_____
Net cash provided (used) by investing activities	_____	_____
Beginning cash and cash equivalent balances	_____	_____
Ending cash and cash equivalent balances	_____ -	_____ -

**Y. DUE TO/DUE FROM AND TRANSFERS**

1. List by fund type the amounts **due from other funds** detailed by individual fund at your fiscal year end:

<u>Type of Fund</u>	<u>Name of Fund</u>	<u>Amount</u>
_____	_____	\$ _____
_____	_____	_____
_____	_____	_____
Total due from other funds		\$ _____

2. List by fund type the amounts **due to other funds** detailed by individual fund at fiscal year end:

<u>Type of Fund</u>	<u>Name of Fund</u>	<u>Amount</u>
_____	_____	\$ _____
_____	_____	_____
_____	_____	_____
Total due to other funds		\$ _____

3. List by fund type **all transfers from other funds for the fiscal year:**

<u>Type of Fund</u>	<u>Name of Fund</u>	<u>Amount</u>
_____	_____	\$ _____
_____	_____	_____
_____	_____	_____
Total transfers from other funds		\$ _____

4. List by fund type **all transfers to other funds for the fiscal year:**

<u>Type of Fund</u>	<u>Name of Fund</u>	<u>Amount</u>
_____	_____	\$ _____
_____	_____	_____
_____	_____	_____
Total transfers to other funds		\$ _____

**Z. LIABILITIES PAYABLE FROM RESTRICTED ASSETS**

Liabilities payable from restricted assets in the \_\_\_\_\_ (BTA) at \_\_\_\_\_ (fiscal year end),  
reflected at \$ \_\_\_\_\_ in the current liabilities section on Statement A, consist of \$ \_\_\_\_\_

**STATE OF LOUISIANA**  
**BOARD OF EXAMINERS OF NURSING FACILITY ADMINISTRATORS (BTA)**  
**Notes to the Financial Statement**  
**As of and for the year ended June 30, 2005**

in accounts payable, \$\_\_\_\_\_ in notes payable, and \$\_\_\_\_\_ in \_\_\_\_\_.

Liabilities payable from restricted assets in the \_\_\_\_\_ (BTA) at \_\_\_\_\_ (fiscal year end), reflected at \$\_\_\_\_\_ in the non-current liabilities section on Statement A, consist of \$\_\_\_\_\_ in accounts payable, \$\_\_\_\_\_ in notes payable, and \$\_\_\_\_\_ in \_\_\_\_\_.

**AA. PRIOR-YEAR RESTATEMENT OF NET ASSETS**

The following adjustments were made to restate beginning net assets for June 30, 2003.

Ending Net Assets June 30, 2004, <u>previously reported</u>	Adjustments <u>+ or (-)</u>	Beginning net assets, July 1, 2004, <u>As restated</u>
171,282	\$ (105,993)	\$ 65,289
_____	_____	_____-
_____	_____	_____-
_____	_____	_____-
_____	_____	_____-
_____	_____	_____-

Each adjustment must be explained in detail on a separate sheet.

(NOTE: Net Assets at July 1, 2004, previously reported, must correspond to Net Assets at June 30, 2003, per the information received from OSRAP.)

An adjustment is being made to recognize license renewals received before June 30 in the year when the licenses become effective. Licenses are renewed effective July 1 of each year. License renewals were previously recognized in the year of collection and an account receivable was recorded to estimate revenues collected between July 1 through February of the subsequent year. A deferred revenue is being established to recognize the revenue for license renewals in the fiscal year of their effective date.

Net fund assets June 30, 2003	\$231,755
Accounts receivable	(38,640)
Deferred revenues	<u>(137,893)</u>
Net fund assets June 30, 2003, restated	\$ 55,222
Income for year ended June 30, 2004	<u>10,067</u>
Net fund assets June 30, 2004	<u>\$ 65,289</u>

**STATE OF LOUISIANA**  
**BOARD OF EXAMINERS OF NURSING FACILITY ADMINISTRATORS (BTA)**  
**SCHEDULE OF PER DIEM PAID TO BOARD MEMBERS**  
*For the Year Ended June 30, 2005*

<u>Name</u>	<u>Amount</u>
A. A. KELLY, JR.	900
MARK CAHRWRIGHT	375
ROBERT RIMES	375
HAROLD GAMBURG	1,275
JOHN MATESSINO	525
JOSEPH HAMRICK	1,575
ELIZABETH HUMPHREY	75
ED SMITN	675
HENRY BURCH	0
MARTIN STOTT	375
J C DAVIS	2,831
	\$ 8,981

**STATE OF LOUISIANA**  
**BOARD OF EXAMINERS OF NURSING FACILITY ADMINISTRATORS (BTA)**  
**SCHEDULE OF STATE FUNDING**  
**For the Year Ended June 30, 2005**

<u>Description of Funding</u>	<u>Amount</u>
1. <u>Department of Health and Hospitals</u>	\$ <u>53,621</u>
2. _____	_____
3. _____	_____
4. _____	_____
5. _____	_____
6. _____	_____
7. _____	_____
8. _____	_____
9. _____	_____
10. _____	_____
Total	\$ <u><u>53,621</u></u>

**STATE OF LOUISIANA  
BOARD OF EXAMINERS OF NURSING FACILITY ADMINISTRATORS (BTA)  
SCHEDULE OF REIMBURSEMENT CONTRACTS PAYABLE  
JUNE 30, 2005**

**NONE**

Issue	Date of Issue	Original Issue	Principal Outstanding 6/30/PY	Redeemed (Issued)	Principal Outstanding 6/30/CY	Interest Rates	Interest Outstanding 6/30/CY
_____	_____	\$ _____	\$ _____	\$ _____	\$ _____	_____	\$ _____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
Total		\$ _____	\$ _____	\$ _____	\$ _____		\$ _____

\*Send copies of new amortization schedules

STATE OF LOUISIANA  
BOARD OF EXAMINERS OF NURSING FACILITY ADMINISTRATORS (BTA)  
SCHEDULE OF NOTES PAYABLE  
JUNE 30, 2005

<i>Issue</i>	<i>Date of Issue</i>	<i>Original Issue</i>	<i>Principal Outstanding 6/30/PY</i>	<i>Redeemed (Issued)</i>	<i>Principal Outstanding 6/30/CY</i>	<i>Interest Rates</i>	<i>Interest Outstanding 6/30/CY</i>
P.H.Amoroso	9/23/2004	\$106,205	\$ 0	\$ 0	\$ 92,382	6.5%	\$ 0
Total		<u>\$106,205</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 92,382</u>		<u>\$ 0</u>

\*Send copies of new amortization schedules

**STATE OF LOUISIANA  
BOARD OF EXAMINERS OF NURSING FACILITY ADMINISTRATORS (BTA)  
SCHEDULE OF BONDS PAYABLE  
JUNE 30, 2005**

**NONE**

Issue	Date of Issue	Original Issue	Principal Outstanding 6/30/PY	Redeemed (Issued)	Principal Outstanding 6/30/CY	Interest Rates	Interest Outstanding 6/30/CY
		\$	\$	\$	\$		\$
Total		\$	\$	\$	\$		\$

\*Send copies of new amortization schedules



**STATE OF LOUISIANA**  
**BOARD OF EXAMINERS OF NURSING FACILITY ADMINISTRATORS (BTA)**  
**SCHEDULE OF REIMBURSEMENT CONTRACTS PAYABLE AMORTIZATION**  
**For The Year Ended June 30, 2005**

**NONE**

Fiscal Year

Ending:

Principal

Interest

2006	\$ _____	\$ _____
2007	_____	_____
2008	_____	_____
2009	_____	_____
2010	_____	_____
2011	_____	_____
2012	_____	_____
2013	_____	_____
2014	_____	_____
2015	_____	_____
2016	_____	_____
2017	_____	_____
2018	_____	_____
2019	_____	_____
2020	_____	_____
2021	_____	_____
2022	_____	_____
2023	_____	_____
2024	_____	_____
2025	_____	_____
2026	_____	_____
2027	_____	_____
2028	_____	_____
2029	_____	_____
2030	_____	_____
Total	\$ _____ --	\$ _____ --

STATE OF LOUISIANA  
 BOARD OF EXAMINERS OF NURSING FACILITY ADMINISTRATORS (BTA)  
 SCHEDULE OF CAPITAL LEASE AMORTIZATION  
 For The Year Ended June 30, 2005

NONE

Fiscal Year Ending:	<u>Payment</u>	<u>Interest</u>	<u>Principal</u>	<u>Balance</u>
2006	\$ _____	\$ _____	\$ _____	\$ _____ --
2007	_____	_____	_____	_____ --
2008	_____	_____	_____	_____ --
2009	_____	_____	_____	_____ --
2010	_____	_____	_____	_____ --
2011-2015	_____	_____	_____	_____ --
2016-2020	_____	_____	_____	_____ --
2021-2025	_____	_____	_____	_____ --
2026-2030	_____	_____	_____	_____ --
Total	\$ _____ --	\$ _____ --	\$ _____ --	\$ _____ --

**STATE OF LOUISIANA**  
**BOARD OF EXAMINERS OF NURSING FACILITY ADMINISTRATORS (BTA)**  
**SCHEDULE OF NOTES PAYABLE AMORTIZATION**  
**For The Year Ended June 30, 2005**

NONE

<i>Fiscal Year</i> <u>Ending:</u>	<u>Principal</u>	<u>Interest</u>
2006	\$ <u>19,506.00</u>	\$ <u>5,430.00</u>
2007	<u>20,812.00</u>	<u>4,124.00</u>
2008	<u>22,206.00</u>	<u>2,730.00</u>
2009	<u>23,693.00</u>	<u>1,243.00</u>
2010	<u>6,165.00</u>	<u>67.00</u>
2011-2015	<u>                    </u>	<u>                    </u>
2016-2020	<u>                    </u>	<u>                    </u>
2021-2025	<u>                    </u>	<u>                    </u>
2026-2030	<u>                    </u>	<u>                    </u>
Total	\$ <u><u>92,382.00</u></u>	\$ <u><u>13,594.00</u></u>

**STATE OF LOUISIANA**  
**BOARD OF EXAMINERS OF NURSING FACILITY ADMINISTRATORS (BTA)**  
**SCHEDULE OF BONDS PAYABLE AMORTIZATION**  
**For The Year Ended June 30, 2005**  
**NONE**

Fiscal Year		
<u>Ending:</u>	<u>Principal</u>	<u>Interest</u>
2006	\$ _____	\$ _____
2007	_____	_____
2008	_____	_____
2009	_____	_____
2010	_____	_____
2011	_____	_____
2012	_____	_____
2013	_____	_____
2014	_____	_____
2015	_____	_____
2016	_____	_____
2017	_____	_____
2018	_____	_____
2019	_____	_____
2020	_____	_____
2021	_____	_____
2022	_____	_____
2023	_____	_____
2024	_____	_____
2025	_____	_____
2026	_____	_____
2027	_____	_____
2028	_____	_____
2029	_____	_____
2030	_____	_____
Total	\$ _____ --	\$ _____ --

STATE OF LOUISIANA  
BOARD OF EXAMINERS OF NURSING FACILITY ADMINISTRATORS  
SCHEDULE OF CURRENT YEAR REVENUE AND EXPENSES  
BUDGETARY COMPARISON OF CURRENT APPROPRIATION  
NON-GAAP BASIS  
JUNE 30, 2005

	Financial Statement	Adjustments	ISIS Appropriation Report-08/14/05	Revised Budget	Variance Positive/(Negative)
Operating Revenues:					
Intergovernmental Revenues	\$	\$	\$	\$	-
Sales of Commodities and Services			-		-
Other			-		-
Total Operating revenues		-	-		-
Personal services	\$	\$	\$	\$	-
Travel			-		-
Operating Services			-		-
Supplies			-		-
Professional services			-		-
Capital outlay			-		-
Interagency transfers			-		-
Other charges - Depreciation			-		-
Total Operating Expenses	-	-	-	-	-
Nonoperating (Income) Expenses:					
Use of Money and Property			-		-
Gain (Loss) on Disposal of Fixed Assets			-		-
Federal Grants			-		-
Interest Expense			-		-
Other - Interest Income			-		-
Total Nonoperating Expenses	-	-	-		-
Capital Contributions			-		-
Operating Transfers In			-		-
Operating Transfers Out			-		-
Change in Net Assets	\$	\$	\$	\$	-

**STATE OF LOUISIANA**  
**BOARD OF EXAMINERS OF NURSING FACILITY ADMINISTRATORS (BTA)**  
**SCHEDULE OF CURRENT YEAR REVENUE AND EXPENSES**  
**BUDGETARY COMPARISON OF CURRENT APPROPRIATION**  
**NON-GAAP BASIS**  
**JUNE 30, 2005**

Budgeted Income (Loss) \$ \_\_\_\_\_

Reconciling items:

Cash carryover \_\_\_\_\_

Depreciation \_\_\_\_\_

Payroll accrual \_\_\_\_\_

Compensated absences adjustment \_\_\_\_\_

Capital outlay \_\_\_\_\_

Change in inventory \_\_\_\_\_

Bad debts expense \_\_\_\_\_

Prepaid expenses \_\_\_\_\_

Principal payment \_\_\_\_\_

Loan Principal Repayments included in Revenue \_\_\_\_\_

Loan Disbursements included in Expenses \_\_\_\_\_

Accounts receivable adjustment \_\_\_\_\_

Accounts payable/estimated liabilities adjustment \_\_\_\_\_

Other \_\_\_\_\_

Change in Net Assets \$           -

STATE OF LOUISIANA

BOARD OF EXAMINERS OF NURSING FACILITY ADMINISTRATORS (BTA)

COMPARISON FIGURES

To assist OSRAP in determining the reason for the change in financial position for the State, please complete the schedule below. If the change is greater than \$1 million, explain the reason for the change.

	<u>2005</u>	<u>2004</u>	<u>Difference</u>	<u>Percentage Change</u>
1) Revenues	\$ _____	\$ _____	\$ -	\$ _____
Expenses	_____	_____	-	_____
2) Capital assets	_____	_____	-	_____
Long-term debt	_____	_____	-	_____
Net Assets	_____	_____	-	_____
Explanation for change:	_____ _____ _____ _____			

**MICHAEL K. GLOVER**

*Certified Public Accountant*

Member  
American Institute of  
Certified Public Accountants

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Member  
Society of Louisiana  
Certified Public Accountants

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August 24, 2005

To the Board of Directors  
Louisiana Board of Examiners of Nursing Facility Administrators  
18550 Highland Road Suite  
Baton Rouge, Louisiana 70809

I have audited the basic financial statements of Louisiana Board of Examiners of Nursing Facility Administrators as of and for the two years ended June 30, 2005, and have issued my report thereon dated August 24, 2005. I have conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

As a part of my examination, I have issued my report on the financial statements, dated August 24, 2005, and my report on internal control and compliance with laws, regulations, and contracts, dated August 24, 2005.

During the course of my examination, I became aware of the following matters which represent immaterial deviations of compliance or suggestions for improved internal controls.

**Finding 2005-01 Board Minutes have missing Documentation**

Condition: While review the board minutes the budgets for 2003-2004 and 2004-2005 were not approved and there were no indications that financial information was being review or compared with the budget information. There are references in the minutes to financial committee reviewing these records but the financial committee does not consist of all board members,

Recommendation: The board minutes should incorporate full meeting discussions that should include financial information, i.e. the review of financial and budget information and approval of public documents before they are submitted, etc.

**Finding 2005-02 Cash Receipts are not being totaled and compared with Deposits**

Condition: In previous years, the receipt book included an adding machine tape that equaled each deposit made. This procedure is no longer being performed. Comparing the deposits documented in the receipt book to the actual deposit helps to strengthen internal control.

Recommendation: The procedure of attaching an adding machine tape in the receipt book and having this tape equal the actual deposit needs to be re-implemented.

The agency is in the process of responding to these findings.

I recommend management address the foregoing issues as an improvement to operations and the administration of public programs. I am available to further explain the suggestions or help implement the recommendations.

Sincerely,



Michael K. Glover